VZCZCXRO0567 OO RUEHAG RUEHROV DE RUEHC #7679/01 0242339 ZNY CCCCC ZZH O R 242334Z JAN 08 FM SECSTATE WASHDC TO EU MEMBER STATES COLLECTIVE IMMEDIATE INFO RUEHBW/AMEMBASSY BELGRADE 1959 RUEHVJ/AMEMBASSY SARAJEVO 7849 RUEHVB/AMEMBASSY ZAGREB 9608 RUEHSQ/AMEMBASSY SKOPJE 4331 RUEHTI/AMEMBASSY TIRANA 0619 RUEHPS/USOFFICE PRISTINA 3546 RUCNDT/USMISSION USUN NEW YORK 0339 RUEHBJ/AMEMBASSY BEIJING 7508 RUEHMO/AMEMBASSY MOSCOW 7379 RUEHLB/AMEMBASSY BEIRUT 7643 RUEHDM/AMEMBASSY DAMASCUS 4425 RUEHGB/AMEMBASSY BAGHDAD 5078 RUEHTV/AMEMBASSY TEL AVIV 2741 RUEHJM/AMCONSUL JERUSALEM 1744 RUEHIL/AMEMBASSY ISLAMABAD 1508 RUEHKH/AMEMBASSY KHARTOUM 5101 RUEHDS/AMEMBASSY ADDIS ABABA 4025 RUEHGO/AMEMBASSY RANGOON 6639

C O N F I D E N T I A L SECTION 01 OF 09 STATE 007679

#### SIPDIS

SIPDIS, BELGRADE PLEASE PASS TO PODGORICA

E.O. 12958: DECL: ASS: 01/21/18

TAGS: <u>EUN PHUM PREL PGOV KV IR IZ IS SU</u>

SUBJECT: APPROACHING THE EU IN ADVANCE OF THE JANUARY 2829 FOREIGN MINISTERS MEETING (GAERC)

- 11. (U) Classified by William Lucas, Office Director, EUR/ERA. Reason: 1.4(b) and (d).
- 12. (U) This is an action request. See paragraph 15.
- 13. (SBU) Summary: EU Foreign Ministers will hold their next General Affairs and External Relations Council (GAERC) meeting in Brussels on January 28-29. We expect the agenda to include: Western Balkans (Kosovo), Middle East Peace, Iran, Lebanon, Iraq, Pakistan, Sudan, and DR Congo. We are urging like-minded member states to include Burma on the agenda. Posts are requested to include the SIPDIS caption on their response cables. A background section covering some of these issues is provided prior to a section containing talking points. Points are to be delivered as soon as possible at the appropriate level to EU members only. Please note that some points concerning Kosovo and Burma are only for certain EU Member States. Other posts should not/not deliver these points.

# BACKGROUND

-----

# Iran

14. (C) Iran's continued failure to fulfill its obligations both to suspend enrichment and to complete the IAEA Work Plan underscores the need for increased international pressure, both through the UNSC and by urging states to implement additional sanctions measures. The EU remains divided on adopting additional sanctions on Iran. As the UNSC track moves forward, the French, British, and Germans assure us that the EU will take autonomous steps, and the Slovenian EU presidency has vaguely promised to set up working groups to address the issue of further sanctions "soon.". Furthermore, we want to encourage the EU to implement new UN sanctions, once adopted, as expeditiously as possible. We want the EU to go beyond the specific lists of individuals and entities designated in the new resolution, as well as to make mandatory and expand the scope of any provisions that are left as voluntary in the

resolution, as the EU has done in the past (e.g., with respect to outright bans on arms sales and the transfer of items controlled by the Nuclear Suppliers Group to Iran).

### Israeli-Palestinian Peace

15. (SBU) Our focus is on sustaining the momentum generated at the November 26-27 Annapolis Conference, and the December 17 Paris Donors' Conference. Annapolis launched the bilateral Israeli-Palestinian negotiations, while the Donors' Conference demonstrated practical international support for this process and for efforts to build the economic and institutional capacity that will serve as the foundation for a viable, peaceful, democratic and prosperous Palestinian state. President Bush's recent travel to the region had a strong emphasis on Israeli-Palestinian peace and the need for regional support, both political and practical. We continue to encourage expanded budgetary support for the PA, especially by Arab states. The EU may raise concerns about Israeli settlement growth and the situation in Gaza. However, as the President emphasized in his visit to the region, the parties cannot let this disrupt their negotiations. Our goal remains progress on political talks between Abbas and Olmert, Palestinian capacity building (the mission of Quartet Representative Blair), and tangible changes on the ground on movement and access, security, and other issues.

# Lebanon

STATE 00007679 002 OF 009

16. (SBU) Successful Lebanese presidential elections are a high U.S. priority. Although former president Lahoud stepped down at the end of his mandate in late November, Lebanese presidential elections have been postponed thirteen times because of the inability of the factions to reach agreement. Syria, Iran, and their allies continue to interfere in Lebanon's democratic processes, creating obstacles to a presidential election. The next parliamentary electoral session is scheduled for February 111. Until a new president is elected, the powers of the president will be held by the Cabinet under the leadership of PM Siniora. European countries need to put unified pressure on Syria to cease its attempts to block Lebanese elections, while also looking for ways to boost Lebanese institutions like the parliament, cabinet, and military and to support the Lebanese economy. On January 7, High Representative Solana issued a statement supporting the January 5 Arab League agreement on Lebanon calling for the election of a president, the formation of a government of national unity, and the adoption of a new electoral law. The U.S. has not made such a statement, but strongly supports the efforts of the Lebanese to elect a President democratically and in accordance with their constitution at the earliest possible moment. We have also urged the EU to provide greater financial support for the UN Special Tribunal for Lebanon that will investigate the 2005 assassination of former Lebanese Prime Minister Rafiq Hariri and political violence.

# Iraq

17. (SBU) Follow-up on the conclusions reached at the Expanded Neighbors of Iraq Ministerial in Istanbul continues and planning for the next ministerial, which will be hosted by Kuwait (on current plans in April), has already begun. We continue to encourage the Neighbors working groups on energy, refugees, and border security to hold their next meetings as soon as possible and to prepare to present progress reports at the Kuwait Ministerial. Staffan de Mistura's arrival in Baghdad in November 2007 has reinvigorated UN activities and increased the morale of UNAMI (United Nations Assistance Mission for Iraq) staff. He has already signaled UNAMI's willingness to get involved in working for national reconciliation, elections and in seeking to resolve the

Kirkuk issue. We will continue to work with UNAMI as it expands its presence and welcome continued European support for the UNAMI mission. We want to encourage the EU to press for de Mistura to address representatives of EU member states. We also appreciate EU efforts to encourage Arab governments to establish diplomatic presences in Baghdad.

Sudan/Darfur/Chad

- 18. (U) Khartoum continues to place barriers on UNAMID deployment, including delays in issuing visas and granting land rights, refusal to allow troops from non-AU countries, and even threatening to PNG a British Brigadier on the UNAMID force commander's staff. We remain skeptical of Sudanese intentions, and believe that sustained international pressure is required to hold Sudan to its word.
- 19. (U) U.N. Department of Peacekeeping Operations (DPKO) faces a Herculean task deploying UNAMID, the largest-ever force DPKO has deployed and to a remote and difficult area. However, many of its problems are self inflicted. For example, the Joint Special representative of the UN and the AU is infrequently in Darfur. Reports suggest that the UNAMID's Force Commander and Director of Administration also are absent from the region on a regular basis. Equally telling, DPKO has failed to sign

STATE 00007679 003 OF 009

necessary contracts for the orderly handover of USG provided equipment from AMIS.

- (U) Since November, Sudan and Chad have been engaged in fighting which recently escalated when President Deby of Chad publicly announced his intent to attack Chadian rebels on Sudanese soil and followed through by carrying out aerial bombardment against UFDD positions in Sudan, killing and wounding several. The Government of Sudan accuses Chad of supporting the Justice and Equality Movement (JEM), a Darfur rebel faction, in their attack against the government in late December. The continued escalation of tension will adversely affect the Darfur political process being led by the UN/AU and could further undermine efforts as JEM has not participated in peace talks and is a potential spoiler to the process. Continued escalation of Chad/Sudan tensions would destabilize the region and worsen humanitarian conditions in Darfur, Chad and CAR (Central African Republic). Reports indicate President Deby will continue his quest to eliminate threats to his regime by actively seeking to vanquish Sudanese-backed Chadian rebels before MINURCAT [the United Nations Mission in the Central African Republic and Chad] can deploy to eastern Chad in late February/March.
- 111. (U) Although the SPLM has returned to the coalition government, the fact that the SPLM felt compelled to withdraw in the first place is deeply troubling. The failure to pass an election law, repeated delays in preparing for the census, delays in SAF troop withdrawal to agreed lines, and continued deadlock in demarcating the Abyie boundary all undermine public faith and confidence in the CPA.

DRC

112. (SBU) We remain committed to supporting the Congolese-Rwandan joint communique on a common approach to negative forces signed in Nairobi on November 9, and we are supporting the Kivus Conference on Peace, Security and Development. We are planning to provide training to FARDC stabilization force and will do an assessment for that training in February.

- 13. (SBU) Despite enactment of EU sanctions on Burmese timber and gem products at the November 19 GAERC meeting, the appointment of former Italian Justice Minister Fassino as EU Special Envoy for Burma, and a statement of continued EU concern at the December 14 European Council meeting, the issue of Burma has receded from attention in Europe. Meanwhile, the regime shows no willingness to make real progress towards a dialogue on a transition to democracy. UN Burma Envoy Gambari had planned to visit Burma in January, but the regime will not allow Gambari to visit until late April.
- 114. (SBU) EU members remain divided over whether to impose additional sanctions on Burma. The outcome of Gambari's next visit or his inability to visit in a timely manner may influence the appetite for sanctions within the EU. Several member states share our views and favor designating three state-owned Burmese banks under EU sanctions. France, the UK, and others advocate discussing incentives for the regime to reform. The U.S.' view is that any incentives should follow significant progress on a transition to democracy.
- 115. (SBU) Please deliver the following points to the appropriate MFA official(s) as soon as possible (in advance of January 28-29 GAERC).

BEGIN NON-PAPER TEXT:

STATE 00007679 004 OF 009

#### Western Balkans

- -- The time for decision on Kosovo is upon us. We believe that we must all be ready to act very soon after the conclusion of the Serbian presidential elections.
- -- Additional delays beyond this timeframe would carry unacceptable risks. New delays would increase the chance of provocations on the ground and give Russia more time to create obstacles in the UN Security Council (which it chairs in March).
- -- We believe it is important that as many European states as possible recognize Kosovo within a day or two following a declaration of independence. Any gap between declaration and recognitions would make it more difficult for UNSYG Ban to cooperate with us on a smooth transition to the new international presences, including the ESDP Rule of Law mission.
- -- We strongly recommend that the EU not impose any new conditions on recognition of Kosovo beyond those that have already been set: (1) a commitment to implement fully the Ahtisaari Plan, and, (2) welcoming the deployment of international presences (KFOR, the ESDP Rule of Law Mission and the International Civilian Office (ICO)) with mandates outlined by the Ahtisaari Plan.
- -- Russia and Serbia pledge to block continuation of the OSCE's Mission in Kosovo (OMiK) after independence. This is regrettable, as OMiK's programs primarily benefit Kosovo's minority communities. We believe that we should be prepared therefore, for other international organizations to take on some of OMiK's core functions and staff.
- -- KFOR's mandate continues as outlined in UNSCR 1244 unless the Security Council decides otherwise. We need all troops to remain in KFOR and we must continue the strongest possible cooperation between EU and KFOR in support of NATO military planning to address possible contingencies as the Kosovo status process unfolds.
- -- Just as we move quickly on Kosovo independence, we

believe that we all need to reach out broadly to Serbia to emphasize our shared interests and our willingness to work together. The EU and NATO need to firmly orient Serbia towards Europe and a full Trans-Atlantic partnership, and we encourage the EU's efforts to sign as early as possible a Stabilization and Association Agreement (SAA) with Belgrade.

-- At the same time, Serbian leadership needs to understand clearly from all of us what our redlines and expectations are.

Additional Point for Ljubljana only:

-- We greatly appreciate Slovenia's energetic leadership on Balkan issues, and we look to the Slovenian Presidency to help ensure that Serbia is offered a realistic and accelerated path to a European future.

Additional Points for London, Paris, Berlin and Rome only:

- -- Leadership within the EU from the Quint is critical in resolving Kosovo as quickly and as smoothly as possible. As we have previously discussed, it is critical that the EU organize itself to move within days, not weeks or months.
- -- Time is not on our side. Repeated delays have emboldened Serb hardliners. The new Kosovo government faces challenges, and more delay could allow for

STATE 00007679 005 OF 009

provocations that would increase the risk of greater instability.

-- After the second round of Serbia's Presidential elections on February 3, we see no good reason to wait to take action. We are looking to your leadership in resolving this final unresolved chapter in the Balkan story.

# Iran

- -- Iran has failed to meet even the limited obligations it agreed to under the August 2007 IAEA Work Plan and is continuing its enrichment activities in direct violation of its legally binding UNSC suspension obligation.
- -- Iran failed to meet the December 2007 deadline set by IAEA DG ElBaradei for Work Plan completion, and continues to block the IAEA by extending the deadline.
- -- New information regarding Iran's past weapons-related activities in the December 2007 National Intelligence Estimate deepens the need for Iran to come clean with the IAEA and international community.
- -- DG ElBaradei has repeatedly requested a full "confession" of Iran's past and present activities. The international community can have no confidence in the peaceful nature of Iran's current nuclear activities until Iran admits to its past weapons-related activities and complies with its international nuclear obligations.
- -- As the NIE notes, Iran's decision to suspend weaponization work in 2003 was in response to international pressure. In light of this, we should redouble our efforts to pressure Iran and insist it come completely clean with its nuclear program.
- -- We urge EU members to publicly support a third UNSC sanctions resolution. When it adopts new UN sanctions, we encourage the EU to go beyond the specific lists of individuals and entities designated in the resolution, as well as to make mandatory and expand the scope of any provisions that are left as voluntary in the resolution,

as the EU has done in the past.

- -- We also encourage the EU to adopt additional autonomous sanctions, both in advance of and subsequent to the adoption of a new UNSCR. We support EU sanctions being finalized at the upcoming EU Foreign Ministers' meeting, in line with statements made in December by the EU Council to consider such autonomous measures in January.
- -- For example, we urge the immediate EU designation of Bank Melli and Bank Saderat using the authorities provided in UNSCRs 1737 and 1747. There is hard evidence linking these banks to Iran's proliferation activities and support for terrorism, respectively.

#### Israeli-Palestinian Peace Process

- -- We appreciate the EU's support for the Annapolis meeting, and the strong EU financial assistance for the Palestinians announced at the Paris Donors' Conference (\$650 million for 2008).
- -- We believe that we must sustain the momentum generated at Annapolis and Paris. President Bush's travel to the region aimed to do that, and reflects his personal commitment to work with the parties and our partners in the region to achieve real progress towards a two state solution. The President has said that he will return to the region in May, to celebrate the 60th anniversary of Israel's independence, and to meet again with the parties

STATE 00007679 006 OF 009

to help move this process forward.

- -- The parties initiated bilateral negotiations on December 12, and Olmert and Abbas met on December 27 and again on January 8. In response to the Har Homa incident last month, PM Olmert has visibly attempted to tighten GOI control over West Bank construction. We must work together to keep the parties focused on the shared objective, and to prevent day-to-day developments on the ground from undermining negotiations.
- -- As the Quartet agreed in September, and again on December 17, the EU should begin to transition from the Temporary International Mechanism to direct assistance to the Palestinian Authority (PA). Budgetary support remains vital. We appreciate the central role the EU continues to play in this regard.
- -- At the same time, it is necessary to achieve meaningful progress on the ground to build confidence between the parties and generate support for progress on the international and economic/institutional tracks. Tony Blair is making important progress on the latter, and has established a good and effective working relationship with PM Fayyad and Israeli Defense Minister Barak, which appears to be achieving results.
- -- As agreed with the parties at Annapolis, the U.S. is working out the details of how we will exercise our role monitoring and judging Roadmap implementation. We hope to facilitate more rapid progress implementing the Roadmap, and will work directly and privately with the parties in this regard, both bilaterally and trilaterally. LTG William Fraser will head this effort, and we expect him to make an initial trip to the region at the end of this month.
- -- As you know, Secretary Rice has appointed retired General Jim Jones, former Marine Corps Commandant and NATO Supreme Allied Commander, to serve as her Special Envoy for Middle East Security. General Jones will be advising the Secretary on security needs for a two-state solution, both in terms of the parties' needs, international engagement, and the regional dynamic.

-- We appreciate EU support for our efforts and those of the parties, and will continue to consult closely with our European partners and with the Quartet over the coming months.

# Lebanon

- -- Unified pressure on Syria and the pro-Syrian Lebanese opposition is essential. We believe that the EU must press Syria to stop blocking Lebanese elections and allow the Lebanese to find a solution to the current political impasse.
- -- Elections must be allowed to occur immediately, in accordance with the constitution, and without precondition. Syria remains the primary obstacle to the election of a new Lebanese president and continues to interfere in Lebanese politics.
- -- This political instability facilitates attacks such as the January 15 bombing of a U.S. Embassy vehicle. While we have no information that Syria or their proxies were directly responsible, Syrian support for Hizballah and other armed groups threatens security in Lebanon and the region.
- -- We urge EU states to strengthen Lebanon's institutions, including the parliament, cabinet, and military, through statements of support for their legitimacy and continued financial assistance.

# STATE 00007679 007 OF 009

- -- We believe that the Lebanese opposition, with support from Syria and Iran, is trying to erode Lebanon's constitutional institutions, thereby undermining Lebanese sovereignty and allowing the reassertion of Syrian influence.
- -- Parliament has been inactive for 14 months and the opposition continues to question the legitimacy of the Cabinet led by PM Siniora. We need to continue to make it clear that we recognize the legitimacy of these institutions.
- -- We are concerned about the interpretations of the Arab League agreement being advanced by the Lebanese opposition. The majority has rejected the opposition's demand for a 10-10-10 division of cabinet positions in a new government (with the majority, opposition and new president each selecting 10 cabinet ministers).
- -- We believe the opposition demand is inconsistent with what the League intended, and hope the League will soon clarify this point publicly.
- -- We urge participants to make quick and generous contributions to the Hariri Tribunal. The UN has made rapid progress on selecting a prosecutor and judges, finalizing a host country agreement, and identifying a building to house the Special Tribunal for Lebanon, but there is a lack of funds.
- -- The financial shortfall could delay indefinitely the date when the Tribunal becomes operational and create an impression of weak international support. Per Article 5 of the Tribunal Agreement, the Tribunal cannot be deemed operational until the UN has funds to cover start-up and first-year costs, and pledges for the following two years.
- -- The UN's current notional budget calls for USD 50 million for the first year of operations and pledges of USD 90 million for subsequent years. Total written and oral pledges currently equal roughly USD 23.5 million, less than 20 percent of the necessary funds. As it

stands, the UN needs approximately an additional USD 40 million in cash and an additional USD 66.5 million in pledges before it can make the Tribunal operational.

# Iraq

- -- We look forward to building on the progress made at the Istanbul Expanded Neighbors Ministerial and, to this end, encourage the Neighbors working groups on energy, refugees, and border security to hold their next meetings as soon as possible.
- -- It would be helpful if EU member states could pass the same messages on the need for movement when they speak to the Iraqis.
- -- We hope the EU will seek a briefing from Staffan de Mistura to enable the EU to hear first hand his views on, and plans for, UN involvement in Iraq.
- -- We continue to encourage all countries interested in a stable and secure Iraq to establish diplomatic missions in Baghdad and other cities as appropriate as a concrete sign of their commitment to Iraq. We would welcome the EU's support in this endeavor.

#### Pakistan

- -- The U.S. is focused on improving the election environment in Pakistan. We are:
- -- Urging the Pakistani Election Commission to clarify

STATE 00007679 008 OF 009

observer guidelines; ensure access to polling stations; publish station locations; immediately post results at polling stations on election-day.

- $\mbox{--}$  Encouraging President Musharraf to ensure elections are transparent and credible.
- -- Asking Musharraf to restore media freedoms, and release remaining prisoners (Aitzaz Ahsan and Chief Justice Chaudhry among them).
- -- We are also urging the International Republican Institute to re-commit to an election observer mission.
- -- We appreciate European Union's commitment to robust election monitoring mission.
- -- With regard to the Bhutto investigation, we strongly support Scotland Yard's assistance. Our interest is in a thorough and professional investigation that calms conspiracy theories and focuses attention on the democratic process.
- -- After the elections we plan to urge continuing efforts to bring all moderate forces together and to implement political reforms and measures to promote human rights.

# Sudan/Darfur/Chad

- -- We need to maintain maximum pressure on Khartoum to stop obstructionism and to facilitate UNAMID deployment.
- -- We need to press the UN for a more rapid, orderly UNAMID deployment.
- -- It would be helpful if individual EU countries, particularly France, would use their influence on Chad to ensure Chad refrains from conducting offensives on Sudanese soil. Stability in the region is critical so UNAMID and MINURCAT can carry out their mandates.

- -- All parties should also engage with Sudan so that it exercises restraint and refrains from retaliatory attacks.
- -- We urge the EU to enhance support for CPA implementation, especially with respect to elections preparation.

# DRC

- -- We are committed to coordinating with the EU to assist the GDRC in building sustainable democratic Congolese institutions.
- $\mbox{--}$  We appreciate the positive role of the EU security mission to the DRC's (EUSEC).
- -- We would appreciate an update on EUSEC's lead role in security sector reform and possible difficulties in working with the Congolese MOD.

#### Burma

- -- We share your concern about the situation in Burma and appreciate recent EU actions to increase pressure on the regime. As Gambari made clear in his January 17 UNSC briefing, the regime has made no meaningful progress toward a dialogue on a transition to democracy and is not fully cooperating with the UN good offices mission.
- -- This is a key time to maintain pressure on the regime. If the regime does not admit Gambari soon, rather than in late April, and begin a meaningful dialogue, we will have

STATE 00007679 009 OF 009

to acknowledge publicly its failure to cooperate with the UN and to take further actions.

- -- We believe that further efforts, including tighter EU financial sanctions, are needed to compel the regime to cooperate with the international community.
- -- Tighter EU financial sanctions could include designating the three state-owned banks that handle foreign exchange. These banks have already been designated by the U.S. and are prohibited from conducting transactions in U.S. dollars. Similar designations by the EU would prevent the regime from transacting business in the two major international currencies. This would increase the pressure on the regime by making it more difficult for regime members and their cronies to benefit from the repression in Burma.
- -- As has been done in the U.S., designations of these banks could be accomplished in such a way as to allow for humanitarian aid and transfer of personal remittances so as to minimize the impact on the Burmese people.
- -- Any offer of incentives for Burma before the regime has made significant progress toward a transition would be detrimental to our shared policy objectives and would prolong the lifespan of the regime.

(For Copenhagen, Dublin, London, Paris, Prague, Stockholm, The Hague, and Ljubljana only):

- -- After the crackdown in September, the international community recognized that the situation in Burma could not return to status quo ante. It has. Accordingly, we hope the EU will remain seized of this issue, and that it will be discussed at the January 28 GAERC meeting. The credibility of the UN is at stake here.
- -- We urge your government to take the lead in supporting financial sanctions against Burma's foreign trade banks.

END NON-PAPER TEXT